

AN ACT

relating to excluding the transportation of gas to and from a liquefied natural gas marine terminal from being considered a gas utility.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 101.003(7), Utilities Code, is amended to read as follows:

(7) "Gas utility" includes a person or river authority that owns or operates for compensation in this state equipment or facilities to transmit or distribute combustible hydrocarbon natural gas or synthetic natural gas for sale or resale in a manner not subject to the jurisdiction of the Federal Energy Regulatory Commission under the Natural Gas Act (15 U.S.C. Section 717 et seq.). The term includes a lessee, trustee, or receiver of a gas utility. The term does not include:

(A) a municipal corporation;

(B) a person or river authority to the extent the person or river authority:

(i) produces, gathers, transports, or sells natural gas or synthetic natural gas under Section 121.004 or 121.005;

(ii) distributes or sells liquefied petroleum gas; or

(iii) transports, delivers, or sells

1 natural gas for fuel for irrigation wells or any other direct
2 agricultural use;

3 (C) a person to the extent the person:

4 (i) sells natural gas for use as vehicle
5 fuel;

6 (ii) sells natural gas to a person who later
7 sells the natural gas for use as vehicle fuel; or

8 (iii) owns or operates equipment or
9 facilities to sell or transport natural gas for ultimate use as
10 vehicle fuel; ~~or~~

11 (D) a person not otherwise a gas utility who
12 furnishes gas or gas service only to itself, its employees, or its
13 tenants as an incident of employment or tenancy, if the gas or gas
14 service is not resold to or used by others; or

15 (E) a person excluded from being considered a gas
16 utility under Section 121.007.

17 SECTION 2. Subchapter A, Chapter 121, Utilities Code, is
18 amended by adding Section 121.007 to read as follows:

19 Sec. 121.007. TRANSPORTATION OF GAS TO AND FROM LIQUEFIED
20 NATURAL GAS MARINE TERMINAL EXCLUDED. (a) A person operating a
21 natural gas pipeline, a liquefied natural gas pipeline, or an
22 underground storage facility is not a gas utility if the person
23 certifies to the railroad commission that the person uses the
24 pipeline or underground storage facility solely to deliver natural
25 gas or liquefied natural gas:

26 (1) to a liquefied natural gas marine terminal;

27 (2) from a liquefied natural gas marine terminal to

1 the owner of the gas or another person on behalf of the owner of the
2 gas; or

3 (3) that is acquired or sold by the person as necessary
4 for the operation or maintenance of its facility that is excluded as
5 a gas utility under this section.

6 (b) This section does not confer the power of eminent domain
7 to a pipeline or underground storage facility excluded as a gas
8 utility under this section.

9 SECTION 3. This Act takes effect immediately if it receives
10 a vote of two-thirds of all the members elected to each house, as
11 provided by Section 39, Article III, Texas Constitution. If this
12 Act does not receive the vote necessary for immediate effect, this
13 Act takes effect September 1, 2007.

President of the Senate

Speaker of the House

I certify that H.B. No. 2174 was passed by the House on April 19, 2007, by the following vote: Yeas 142, Nays 0, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 2174 was passed by the Senate on May 23, 2007, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor